



# Board of Retirement Regular Meeting

## Sacramento County Employees' Retirement System

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### Agenda Item 9

**MEETING DATE:** January 21, 2026

**SUBJECT:** Annual Discharge of Uncollectible Receivables

**SUBMITTED FOR:**  X  Action      Information

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#### **RECOMMENDATION**

Approve the discharge of \$142,888 uncollectible receivables.

#### **PURPOSE/STRATEGIC PRIORITY**

This item complies with reporting requirements in the Error Correction Policy.

#### **DISCUSSION**

Staff has prepared the annual request to discharge uncollectible receivable accounts from SCERS's general ledger. This action is part of an established, recurring process for reviewing, managing, and resolving outstanding benefit overpayments that remain in collection status.

Benefit overpayments (most commonly resulting from death-related payment timing) continue to represent the primary source of receivables subject to collection activity. SCERS maintains established procedures to identify overpayments, pursue recovery, and apply offsets against future benefit payments or death benefits when available. When recovery efforts have been exhausted or are no longer cost-effective, accounts may be evaluated for discharge in accordance with policy.

In parallel with the annual discharge process, management continues to refine business practices related to death reporting, benefit cessation, and receivable monitoring. These ongoing improvements are intended to enhance timeliness, reduce future overpayment risk, and strengthen internal controls while maintaining compliance with applicable accounting standards and member privacy protections.

**DISCHARGE REQUEST**

Staff, in consultation with the General Counsel, has deemed 38 accounts totaling \$142,888 as uncollectable due to a variety of often overlapping factors, such as the passage of time, the cost of recovery, the amount of the debt, and the ability to identify, locate and pursue a culpable debtor. Staff is requesting the discharge of the uncollectible receivables identified in the attachment.

**ATTACHMENT**

- Board Order
- 2026 Proposed Discharge of Uncollectable Receivables

Prepared by:

/S/

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Margo Allen  
Chief Operations Officer

Reviewed by:

/S/

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Eric Stern  
Chief Executive Officer



# **Retirement Board Order**

## **Sacramento County Employees' Retirement System**

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**Before the Board of Retirement  
January 21, 2026**

**AGENDA ITEM:**

### **Annual Discharge of Uncollectible Receivables**

THE BOARD OF RETIREMENT hereby approves the Staff recommendation to approve the discharge of \$142,888 of uncollectible receivables.

I HEREBY CERTIFY that the above order was passed and adopted on January 21, 2026 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting):

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Chris Giboney  
Board President

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Eric Stern  
Chief Executive Officer and  
Board Secretary

**Attachment**  
**2026 Proposed Discharge of Uncollectable Receivables**  
**As of December 31, 2025**

**Table 1 – Accounts Receivable Recommended for Discharge**

<b>Balance Range</b>	<b># Accts</b>	<b>Amount</b>
\$0 – \$1,000	29	\$6,074
\$1,001 – \$5,000	7	\$16,451
\$5,001 and over	2	\$120,363
<b>Total</b>	<b>38</b>	<b>\$142,888</b>

**Table 2 – Outstanding Accounts Receivable**

<b>Balance Range</b>	<b>Before Discharge</b>	<b>Proposed Discharge</b>	<b>After Discharge</b>
\$0 – \$1,000	\$47,237	\$6,074	\$41,163
\$1,001 – \$5,000	\$176,053	\$16,451	\$159,602
\$5,001 and over	\$211,940	\$120,363	\$91,576
<b>Total</b>	<b>\$435,230</b>	<b>\$142,888</b>	<b>\$292,342</b>

**Attachment**  
**2026 Proposed Discharge of Uncollectable Receivables**  
**As of December 31, 2025**

**Table 3 – 2025 Accounts Receivable Recoveries**

Recovery Method	# Accts	Amount
*SCERS	122	\$182,962
Division of Revenue Recovery (DRR)	5	\$7,476
<b>Total</b>	<b>127</b>	<b>\$190,438</b>

\*Reflects April-December 2025 recoveries due to  
new data report

**Table 4 – 2025 Division of Revenue Recovery (DRR)**

Recovery Method	# Accts	Amount
Payment Plans	3	\$1,565
Court/Settlement	2	\$5,911
<b>Total</b>	<b>5</b>	<b>\$7,476</b>